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FOR IMMEDIATE RELEASE

**(Washington DC)** Rep. Luis V. Gutierrez (D-IL), Chair of the Subcommittee on Financial Institutions and Consumer Credit, today issued the following statement regarding President Obama's proposal to create a Consumer Financial Protection Agency: "The new Consumer Financial Protection Agency is without question one of the most important changes under the President's new regulatory reform proposal." "We have experienced the failings of our current regulatory structure in which the agencies that are charged with protecting consumers from predatory practices have fallen asleep at the wheel. And the consumers who are most vulnerable to predatory products have gone largely unprotected.

"By relieving safety and soundness regulators like the Federal Reserve from having to oversee consumer products, we're improving the odds that predatory practices in mortgages and credit cards ---as well as the payday lending and remittance industries-- will be stopped before they can do more harm to the millions of American consumers who use them everyday." "There should be no confusion about what this agency does and does not do: This new agency would not in any way ration credit or decrease economic freedom. Rather the creation of the CFPA will simply consolidate the existing agencies and consumer protection powers.

"In fact, there is little difference between what the new Agency would do and what the current regulatory agencies are currently authorized to do.

"This plan would simply streamline and concentrate the power of regulators whose job it is to protect our consumers. "Now, I know that the Chamber of Commerce and many in the industry are opposing this bill. But their opposition to this proposal merely favors the status quo, where: -- it takes the Fed 14 years to use its legislated power to stop predatory mortgage practices that have nearly destroyed our economy;

-- banks want to continue to take over \$38 billion in fee revenue alone from consumers each year;

-- current enforcement for consumer protection statutes takes place in multiple agencies, resulting in disjointed and often ineffective protection against the worst of abuses.

"The status quo is unacceptable. Taxpayers deserve an institution that guards them from misuse and abuse of their hard-earned dollars. And we are long overdue in providing them the watchdog they deserve. "I thank President Obama and Chairman Frank for their leadership on this proposal and their dedication to protecting consumers. I look forward to enacting the CFPB into law."

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